

By: Turner

H.B. No. 850

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of a portion of the appraised value of certain real property used to provide housing to certain individuals with disabilities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.35 to read as follows:

Sec. 11.35. REAL PROPERTY USED TO PROVIDE HOUSING TO CERTAIN INDIVIDUALS WITH DISABILITIES. (a) In this section:

(1) "Group home" means a home or an establishment that:

(A) furnishes food, shelter, and treatment or services to four or more individuals unrelated to the owner of the facility;

(B) is primarily for the diagnosis, treatment, or rehabilitation of individuals with intellectual disabilities or related conditions; and

(C) provides in a protected setting continuous evaluation, planning, 24-hour supervision, coordination, and integration of health or rehabilitative services to help each resident function at the resident's greatest ability.

(2) "Intermediate care facility for individuals with developmental, physical, or intellectual disabilities" means a facility described by Chapter 252, Health and Safety Code.

1 (3) "Section 1915(c) waiver program" has the meaning
2 assigned by Section 531.001, Government Code.

3 (b) A person is entitled to an exemption from taxation of a
4 portion, expressed as a dollar amount, of the appraised value of
5 real property that the person owns and that is used as:

6 (1) a group home operating under a Section 1915(c)
7 waiver program; or

8 (2) an intermediate care facility for individuals with
9 developmental, physical, or intellectual disabilities if at least
10 95 percent of the residents of the facility are recipients of
11 medical assistance under Chapter 32, Human Resources Code.

12 (c) The amount of the exemption authorized under this
13 section is an amount equal to the costs incurred by the property
14 owner in maintaining, operating, and making improvements to the
15 property during the preceding 12-month period.

16 (d) An application for an exemption under this section must
17 include an affidavit stating the costs incurred by the property
18 owner in maintaining, operating, and making improvements to the
19 property during the preceding 12-month period and include any
20 relevant information or documentation required by the application
21 form.

22 (e) The comptroller shall adopt rules for the
23 administration of this section, including rules prescribing the
24 form of an application for an exemption under this section and
25 specifying the 12-month period for which the costs are used to
26 determine the amount of the exemption.

27 SECTION 2. Section 11.35, Tax Code, as added by this Act,

1 applies only to an ad valorem tax year that begins on or after
2 January 1, 2018.

3 SECTION 3. This Act takes effect January 1, 2018, but only
4 if the constitutional amendment proposed by the 85th Legislature,
5 Regular Session, 2017, authorizing the legislature to exempt from
6 ad valorem taxation a portion of the assessed value of certain real
7 property used to provide housing to certain individuals with
8 disabilities is approved by the voters. If that amendment is not
9 approved by the voters, this Act has no effect.